



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-570-952

Narrow Woven Ribbons With Woven Selvedge from the People's Republic of China:
Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce

SUMMARY: In response to requests from interested parties, the Department of Commerce (“the Department”) is conducting an administrative review of the antidumping duty order on narrow woven ribbons with woven selvedge (“Ribbons”) from the People's Republic of China (“PRC”). The period of review (“POR”) is September 1, 2010, through August 31, 2011.

As discussed below, the Department preliminarily determines that the PRC-wide entity made sales in the United States at prices below normal value (“NV”). If the preliminary results are adopted in our final results of administrative review, we will instruct U.S. Customs and Border Protection (“CBP”) to assess antidumping duties on all appropriate entries. Interested parties are invited to comment on the preliminary results.

We invite interested parties to comment on these preliminary results. Parties who submit comments are requested to submit with each argument a summary of the argument. We intend to issue the final results no later than 120 days from the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended (“the Act”).

EFFECTIVE DATE: August 8, 2012

FOR FURTHER INFORMATION CONTACT: Karine Gziryan or Robert Bolling, AD/CVD Operations, Office 4, Import Administration, International Trade Administration, U.S.

Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4081 and (202) 482-3434 respectively.

SUPPLEMENTARY INFORMATION:

Background

On September 1, 2010, the Department published in the Federal Register an antidumping duty order on NWR from the PRC.¹ On September 23, 2011, the Department published in the Federal Register a notice of opportunity to request an administrative review of the antidumping duty order on NWR from the PRC for the period September 1, 2010, through August 31, 2011.² On September 21, 29th, and 30th, 2011, the Department received timely requests in accordance with 19 CFR 351.213(b)(2) for an administrative review from Weifang Dongfang Ribbon Weaving Co., Ltd. (“Weifang Dongfang”), Stribbons (Guangzhou) Ltd. (“Stribbons Guangzhou”), Stribbons (Nanyang) MNC, Ltd. (“Stribbons MNC”), Yangzhou Bestpak Gifts & Crafts Co., Ltd. (“Bestpak”), and Precious Planet Ribbons & Bows Co., Ltd. (“Precious Planet”). On September 30, 2011, the Department also received a timely request from Berwick Offray LLC and its wholly-owned subsidiary Lion Ribbon Company, Inc. (collectively, “Petitioners”), in accordance with 19 CFR 351.213(b)(1), for an administrative review of the antidumping duty order on NWR from the PRC for ten companies: Yama Ribbons and Bows Co., Ltd. (“Yama Ribbons”), Hubschercorp (Canada), Apex Ribbon (Canada), Pacific Imports (Canada), Supreme Laces Inc. (Canada), Multicolor Inc. (Canada), Apex Trimmings (Canada), Papillon Ribbon & Bow (Canada), FinerRibbon.com. (Canada), and Intercontinental Skyline (Canada).

¹ See Notice of Antidumping Duty Orders: Narrow Woven Ribbons With Woven Selvedge From Taiwan and the People's Republic of China: Antidumping Duty Orders, 75 FR 53632 (September 1, 2010), as amended in Narrow Woven Ribbons With Woven Selvedge From Taiwan and the People's Republic of China: Amended Antidumping Duty Orders, 75 FR 56982 (September 17, 2010) (“Orders”).

² See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation: Opportunity To Request Administrative Review, 76 FR 54735 (September 2, 2011).

On October 31, 2011, the Department published a notice of initiation of an antidumping duty administrative review on NWR from the PRC, in which it initiated a review of Hubschercorp, Apex Ribbon, Pacific Imports, Supreme Laces Inc., Multicolor Inc., Apex Trimmings, Papillon Ribbon & Bow (Canada), FinerRibbon.com., Intercontinental Skyline, Weifang Dongfang, Stribbons Guangzhou, Stribbons MNC, Bestpak, Precious Planet, and Yama Ribbons.³

On November 16, 2011, the Department placed on the record CBP import data for certain Harmonized Tariff Schedule of the United States (“HTSUS”) subheadings. On November 23, 2011, the Department received comments from Stribbons (Guangzhou) Ltd., Stribbons (Nanyang) MNC, Ltd., Bestpak and Petitioners. After examining the CBP data and the comments from the interested parties, the Department concluded that the import data was reported using inconsistent units of measurement. The Department was, therefore, unable to select mandatory respondents based solely on this data.

On December 6, 2011, to clarify the import data on the record, the Department issued quantity and value (“Q&V”) questionnaires to exporters who allegedly had imports of NWR during the POR according to the CBP import data on the record. The Department requested that the companies report the Q&V of their POR exports and/or shipments of NWR to the United States using specified units of measurement. The Department also received Q&V submissions from Hubscher Ribbon Corp., Ltd. (“Hubschercorp”) and Precious Planet on December 20, 2011.⁴

³ See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Requests for Revocation in Part, 76 FR 67133 (October 31, 2011) (“Initiation Notice”).

⁴ See Shanghai Dayspring Gifts Corp. Ltd. did not respond to the Department’s Q&V questionnaire.

Because the PRC is a non-market economy (“NME”), companies wishing to receive a separate antidumping rate for purposes of this administrative review were required to file a timely separate rate application or separate rate certification. The separate rate application and/or certification in this case were due within 60 days from the initiation of the antidumping administrative review,⁵ no later than December 30, 2011. On November 26, 2011, December 22, 2011, December 29, 2011, and December 30, 2011, the Department received timely separate rate applications and/or certifications from Weifang Dongfang, Bestpak, Hubschercorp and Precious Planet in that respective order.

On January 4, 2012, five days after the due date had passed, Stribbons (Guangzhou) Ltd., Stribbons (Nanyang) MNC, Ltd. (collectively “MNC Stribbons”) submitted an untimely request for a two-week extension to file a separate rate certification. Then, on January 9, 2012, ten days after the deadline for submitting the separate rate certification had passed, without receiving a response from the Department to its untimely extension request, MNC Stribbons attempted to file a separate rate certification for Stribbons (Guangzhou) Ltd. and Stribbons (Nanyang) MNC, Ltd. In accordance with 19 CFR 351.302(d)(2), on January 13, 2012, the Department rejected MNC Stribbons’ filings of January 4, 2012, and January 9, 2012 as untimely and returned those submissions to the company.⁶

On January 11, 2012, the Department exercised its authority to limit the number of respondents selected for individual examination pursuant to section 777A(c)(2)(B) of the Act.⁷

⁵ See Initiation Notice, 76 FR at 67133-134

⁶ See Letter from Robert Bolling, Program Manager, AD/CVD Operations, Office 4 to Mr. James Cannon, Williams Mullen, representing Stribbons (Guangzhou) Ltd. and Stribbons (Nanyang) MNC Ltd., dated January 13, 2012 (“Rejection Letter”).

⁷ See Memorandum to Abdelali Elouaradia, Director, AD/CVD Operations, Office 4, from Jonathan Hill, International Trade Compliance Analyst, AD/CVD Operations, Office 4, “Respondent Selection in the First Administrative Review of Narrow Woven Ribbons with Woven Selvedge from the People’s Republic of China,” dated January 11, 2012 (“Respondent Selection Memo”).

The Department selected the two largest exporters by volume as our mandatory respondents for this review, Hubschercorp and Precious Planet.⁸ On January 12, 2012, Bestpak timely withdrew its requests to the Department to conduct an administrative review of its sales.

On January 13, 2012, the Department issued the antidumping questionnaire to Hubschercorp and Precious Planet. On January 24, 2012, Precious Planet timely withdrew its request for an administrative review of its sales.⁹

Between January 13, 2012 and March 16, 2012, Hubschercorp responded to the Department's questionnaires. In its February 24, 2012, section D questionnaire response to the Department Hubschercorp explained that it was not able to obtain the factors of production ("FOP") information from its Chinese producer of NWR, Yama Ribbons. On March 1, 2012, the Department issued a section D questionnaire to Yama Ribbons, a producer of NWR for Hubschercorp during the POR. On March 16, 2012, Yama Ribbons provided its answer to the Department's section D questionnaire response explaining that it would not provide a response to the section D questionnaire.¹⁰ On May 7, 2012, the Department issued sections A and C supplemental questionnaires to Hubschercorp. Between January and May 2012, Petitioners provided comments on Hubschercorp's questionnaire responses.

On May 25, 2012, the Department extended the time period for completion of the preliminary results of this review by 30 days until July 1, 2012.¹¹ On May 29, 2012,

⁸ See Respondent Selection Memo. Also, Hubschercorp and Precious Planet are collectively referred to as the "mandatory respondents."

⁹ On January 31, 2012, MNC Ribbons filed a request to the Department to select MNC Ribbons as a mandatory respondent in the antidumping duty administrative review of Ribbons, however, for the reasons stated below under the PRC-wide Entity section, the Department did not grant that request.

¹⁰ See Yama Ribbons' section D questionnaire response to the Department, dated March 16, 2012.

¹¹ See Memorandum to Abdelali Elouaradia, Director, AD/CVD Operations, Office 4, from Karine Gziryan, International Trade Compliance Analyst, AD/CVD Operations, Office 4: "Narrow Woven Ribbons with Woven Selvedge from the People's Republic of China Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review," dated May 25, 2012.

Hubschercorp indicated that it would no longer participate in this administrative review. On June 27, 2012, the Department extended the time period for completion of the preliminary results of this review by a further 30 days until July 31, 2012.¹²

Period of Review

The POR is September 1, 2010 through August 31, 2011.¹³

Scope of Order

The scope of the order covers narrow woven ribbons with woven selvedge, in any length, but with a width (measured at the narrowest span of the ribbon) less than or equal to 12 centimeters, composed of, in whole or in part, man-made fibers (whether artificial or synthetic, including but not limited to nylon, polyester, rayon, polypropylene, and polyethylene terephthalate), metal threads and/or metalized yarns, or any combination thereof. Narrow woven ribbons subject to the order may:

- also include natural or other non-man-made fibers;
- be of any color, style, pattern, or weave construction, including but not limited to single-faced satin, double-faced satin, grosgrain, sheer, taffeta, twill, jacquard, or a combination of two or more colors, styles, patterns, and/or weave constructions;

¹² See Memorandum to Abdelali Elouaradia, Director, AD/CVD Operations, Office 4, from Karine Gziryan, International Trade Compliance Analyst, AD/CVD Operations, Office 4: "Narrow Woven Ribbons with Woven Selvedge from the People's Republic of China Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review," dated June 27, 2012.

¹³ The ITC made an affirmative determination in the Narrow Woven Ribbons investigation based on a threat of injury. See Narrow Woven Ribbons with Woven Selvedge from China and Taiwan, 75 FR 53711 (September 1, 2010). Under section 736(b)(2) of the Act, all subject merchandise entered, or withdrawn from warehouse on or after September 1, 2010, the date the ITC published its affirmative determination of threat of material injury in the Federal Register, are suspended and covered by the POR for the first administrative review. Entries before that date were liquidated without regard to antidumping duties.

- have been subjected to, or composed of materials that have been subjected to, various treatments, including but not limited to dyeing, printing, foil stamping, embossing, flocking, coating, and/or sizing;
- have embellishments, including but not limited to appliqué, fringes, embroidery, buttons, glitter, sequins, laminates, and/or adhesive backing;
- have wire and/or monofilament in, on, or along the longitudinal edges of the ribbon;
- have ends of any shape or dimension, including but not limited to straight ends that are perpendicular to the longitudinal edges of the ribbon, tapered ends, flared ends or shaped ends, and the ends of such woven ribbons may or may not be hemmed;
- have longitudinal edges that are straight or of any shape, and the longitudinal edges of such woven ribbon may or may not be parallel to each other;
- consist of such ribbons affixed to like ribbon and/or cut-edge woven ribbon, a configuration also known as an “ornamental trimming;”
- be wound on spools; attached to a card; hanked (i.e., coiled or bundled); packaged in boxes, trays or bags; or configured as skeins, balls, bateaus or folds; and/or
- be included within a kit or set such as when packaged with other products, including but not limited to gift bags, gift boxes and/or other types of ribbon.

Narrow woven ribbons subject to the order include all narrow woven fabrics, tapes, and labels that fall within this written description of the scope of the antidumping duty order.

Excluded from the scope of the order are the following:

- (1) formed bows composed of narrow woven ribbons with woven selvedge;

(2) “pull-bows” (i.e., an assemblage of ribbons connected to one another, folded flat and equipped with a means to form such ribbons into the shape of a bow by pulling on a length of material affixed to such assemblage) composed of narrow woven ribbons;

(3) narrow woven ribbons comprised at least 20 percent by weight of elastomeric yarn (i.e., filament yarn, including monofilament, of synthetic textile material, other than textured yarn, which does not break on being extended to three times its original length and which returns, after being extended to twice its original length, within a period of five minutes, to a length not greater than one and a half times its original length as defined in the (HTSUS, Section XI, Note 13) or rubber thread;

(4) narrow woven ribbons of a kind used for the manufacture of typewriter or printer ribbons;

(5) narrow woven labels and apparel tapes, cut-to-length or cut-to-shape, having a length (when measured across the longest edge-to-edge span) not exceeding eight centimeters;

(6) narrow woven ribbons with woven selvedge attached to and forming the handle of a gift bag;

(7) cut-edge narrow woven ribbons formed by cutting broad woven fabric into strips of ribbon, with or without treatments to prevent the longitudinal edges of the ribbon from fraying (such as by merrowing, lamination, sono-bonding, fusing, gumming or waxing), and with or without wire running lengthwise along the longitudinal edges of the ribbon;

(8) narrow woven ribbons comprised at least 85 percent by weight of threads having a denier of 225 or higher;

(9) narrow woven ribbons constructed from pile fabrics (i.e., fabrics with a surface effect formed by tufts or loops of yarn that stand up from the body of the fabric);

(10) narrow woven ribbon affixed (including by tying) as a decorative detail to non-subject merchandise, such as a gift bag, gift box, gift tin, greeting card or plush toy, or affixed (including by tying) as a decorative detail to packaging containing non-subject merchandise;

(11) narrow woven ribbon that is (a) affixed to non-subject merchandise as a working component of such non-subject merchandise, such as where narrow woven ribbon comprises an apparel trimming, book marker, bag cinch, or part of an identity card holder, or (b) affixed (including by tying) to non-subject merchandise as a working component that holds or packages such non-subject merchandise or attaches packaging or labeling to such non-subject merchandise, such as a “belly band” around a pair of pajamas, a pair of socks or a blanket;

(12) narrow woven ribbon(s) comprising a belt attached to and imported with an item of wearing apparel, whether or not such belt is removable from such item of wearing apparel; and

(13) narrow woven ribbon(s) included with non-subject merchandise in kits, such as a holiday ornament craft kit or a scrapbook kit, in which the individual lengths of narrow woven ribbon(s) included in the kit are each no greater than eight inches, the aggregate amount of narrow woven ribbon(s) included in the kit does not exceed 48 linear inches, none of the narrow woven ribbon(s) included in the kit is on a spool, and the narrow woven ribbon(s) is only one of multiple items included in the kit.

The merchandise subject to the order is classifiable under the HTSUS statistical categories 5806.32.1020; 5806.32.1030; 5806.32.1050 and 5806.32.1060. Subject merchandise also may enter under subheadings 5806.31.00; 5806.32.20; 5806.39.20; 5806.39.30; 5808.90.00; 5810.91.00; 5810.99.90; 5903.90.10; 5903.90.25; 5907.00.60; and 5907.00.80 and under statistical categories 5806.32.1080; 5810.92.9080; 5903.90.3090; and 6307.90.9889. The HTSUS statistical categories and subheadings are provided for convenience and customs

purposes; however, the written description of the merchandise covered by the order is dispositive.

Partial Rescission of Antidumping Administrative Review

Pursuant to 19 CFR 351.213(d)(1), the Department will rescind an administrative review, in whole or in part, if a party that requested a review withdraws the request within 90 days of the date of publication of the notice of initiation of the requested review, or withdraws its request at a later date if the Department determines that it is reasonable to extend the time limit for withdrawing the request. As indicated above, on January 12, 2012, and January 24, 2012, respectively, Bestpak and Precious Planet withdrew their requests for a review, which was within the 90-day deadline.

No other party has requested a review for Bestpak or Precious Planet, and no party has opposed their withdrawal requests. Additionally, Bestpak had a separate rate granted in a previously completed segment of this proceeding that was in effect during the instant review period.¹⁴ Therefore, we are rescinding this administrative review with respect to Bestpak in accordance with 19 CFR 351.213(d)(1). However, Precious Planet has not established its eligibility for a separate rate; therefore, it will continue to be considered part of the PRC-wide entity. Because in this administrative review the PRC-wide entity is under review for these preliminary results, we are not rescinding this review with respect to Precious Planet.

Non-Market Economy Country Status

The Department has treated the PRC as a NME country in all past antidumping duty investigations and administrative reviews and continues to do so in this case.¹⁵ In accordance

¹⁴ See Orders.

¹⁵ See section 771(18)(C) of the Act; see, e.g., Polyethylene Terephthalate Film, Sheet, and Strip From the People's Republic of China: Final Results of the First Antidumping Duty Administrative Review, 76 FR 9753 (February 22, 2011)

with section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by the administering authority.¹⁶

Separate Rates

In proceedings involving NME countries, the Department has a rebuttable presumption that all companies within the country are subject to government control and thus should be assessed a single antidumping duty rate.¹⁷ It is the Department's policy to assign all exporters of subject merchandise in an NME country this single rate unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate. Exporters can demonstrate this independence through the absence of both de jure and de facto governmental control over export activities. The Department analyzes each entity exporting the subject merchandise under a test set out in the Notice of Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China, 56 FR 20588 (May 6, 1991) ("Sparklers"), as further developed in Notice of Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China, 59 FR 22585 (May 2, 1994) ("Silicon Carbide"). However, if the Department determines that a company is wholly foreign-owned or located in an ME, then a separate rate analysis is not necessary to determine whether it is independent from government control.¹⁸

In its separate rate certification, Weifang Dongfang reported that it was wholly owned by a domestic entity located in the PRC.¹⁹ Therefore, the Department must analyze whether

¹⁶ See section 771(18)(C)(i) of the Act.

¹⁷ See Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations involving Non-Market Economy Countries, available at <http://ia.ita.doc.gov/policy/bull05-1.pdf>.

¹⁸ See Notice of Final Determination of Sales at Less Than Fair Value: Creatine Monohydrate From the People's Republic of China, 64 FR 71104, 71104-05 (December 20, 1999) (where the respondent was wholly foreign-owned and, thus, qualified for a separate rate).

¹⁹ See Weifang Dongfang's Separate Rate Certification, dated November 26, 2011.

Weifang Dongfang can demonstrate the absence of both de jure and de facto governmental control over export activities.

a. Absence of De Jure Control

The Department considers the following de jure criteria in determining whether an individual company may be granted a separate rate: (1) an absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) other formal measures by the government decentralizing control of companies.²⁰

The evidence provided by Weifang Dongfang supports a preliminary finding of de jure absence of governmental control based on the following: (1) an absence of restrictive stipulations associated with the individual exporters' business and export licenses; (2) there are applicable legislative enactments decentralizing control of the companies; and (3) there are formal measures by the government decentralizing control of companies.²¹

b. Absence of De Facto Control

Typically, the Department considers four factors in evaluating whether each respondent is subject to de facto governmental control of its export functions: (1) whether the export prices are set by or are subject to the approval of a governmental agency; (2) whether the respondent has authority to negotiate and sign contracts and other agreements; (3) whether the respondent has autonomy from the government in making decisions regarding the selection of management; and

²⁰ See Sparklers, 56 FR at 20589.

²¹ See Weifang Dongfang's Separate Rate Certification at questions 10-14.

(4) whether the respondent retains the proceeds of its export sales and makes independent decisions regarding disposition of profits or financing of losses.²²

For Weifang Dongfang, we determine that the evidence on the record supports a preliminary finding of de facto absence of government control based on record statements and supporting documentation showing the following: (1) Weifang Dongfang sets its own export prices independent of the government authority; (2) Weifang Dongfang retains the proceeds from its sales and makes independent decisions regarding disposition of profits or financing of losses; (3) Weifang Dongfang has the authority to negotiate and sign contracts and other agreements; and (4) Weifang Dongfang has autonomy from the government regarding the selection of management.²³

The evidence placed on the record of this review by Weifang Dongfang demonstrates an absence of de jure and de facto government control with respect to its exports of the merchandise under review, in accordance with the criteria identified in Sparklers and Silicon Carbide. Therefore, we are preliminarily granting Weifang Dongfang separate-rate status.

Calculation of Separate Rate

In accordance with section 777A(c)(2)(B) of the Act, the Department employed a limited examination methodology, as it did not have the resources to examine all companies for which a review request was made. In addition to the mandatory respondent, only Weifang Dongfang submitted timely information as requested by the Department and remains subject to the review as a cooperative separate rate respondent.

²² See Silicon Carbide, 59 FR at 22586-87; see also Notice of Final Determination of Sales at Less Than Fair Value: Furfuryl Alcohol From the People's Republic of China, 60 FR 22544, 22545 (May 8, 1995).

²³ See Weifang Dongfang's Separate Rate Certification at questions 15-20.

We note that the Act and the Department's regulations do not directly address the establishment of a rate to be applied to individual companies not selected for examination where the Department limited its examination in an administrative review pursuant to section 777A(c)(2) of the Act. The Department's practice in cases involving limited selection based on exporters accounting for the largest volumes of trade has been to look to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation, for guidance. Section 735(c)(5)(A) of the Act instructs that we are not to calculate an all-others rate using any zero or de minimis margins or any margins based entirely on facts available. Section 735(c)(5)(B) of the Act also provides that, where all margins are zero rates, de minimis rates, or rates based entirely on facts available, we may use "any reasonable method" for assigning the rate to non-selected respondents. In this instance, we based the rate for the sole mandatory respondent, Hubscercorp, entirely on facts available.

In exercising this discretion to determine a non-examined rate, the Department considers relevant the fact that section 735(c)(5) of the Act: a) is explicitly applicable to the determination of an all-others rate in an investigation; and b) articulates a preference that the Department avoid zero, de minimis rates or rates based entirely on facts available when it determines the all others rate. The Act's statement that averaging of zero/de minimis margins and margins based entirely on facts available may be a reasonable method, and the Statement of Administrative Action's ("SAA") indication that such averaging may be the expected method, should be read in the context of an investigation.²⁴ First, if there are only zero or de minimis margins determined in the investigation (and there is no other entity to which a facts available margin has been applied), the investigation would terminate and no order would be issued. Thus, the provision necessarily

²⁴ See SAA accompanying the Uruguay Round Agreements Act, H.R. Doc. No. 103-316 at 872 (1994), reprinted in 1994 U.S.C.C.A.N. 4040, 4200.

only applies to circumstances in which there are either both zero/de minimis and total facts available margins, or only total facts available margins. Second, when such rates are the only rates determined in an investigation, there is little information on which to rely to determine an appropriate all-others rate. In this context, therefore, the SAA's stated expected method is reasonable: the zero/de minimis and facts available margins may be the only or best data the Department has available to apply to non-selected companies. We note that the Department has sought other reasonable means to assign separate-rate margins to non-reviewed companies in instances with calculated zero rates, de minimis rates, or rates based entirely on facts available for the mandatory respondents.²⁵

In Vietnam Shrimp AR3 Final, the Department assigned to those separate rate companies with no history of an individually calculated rate the margin calculated for cooperative separate rate respondents in the underlying investigation. However, for those separate rate respondents that had received a calculated rate in a prior segment, concurrent with or more recent than the calculated rate in the underlying investigation, the Department assigned that calculated rate as the company's separate rate in the review at hand.

Thus, we find that a reasonable method in the instant review is to assign to the separate rate company Weifang Dongfang with no history of an individually calculated rate, the margin calculated for cooperative separate rate respondents in the underlying investigation. Pursuant to this method, we are preliminarily assigning a rate of 123.83 percent to Weifang Dongfang, the margin calculated for cooperative separate rate respondents in the underlying investigation.²⁶ In

²⁵ See Certain Frozen Warmwater Shrimp From the Socialist Republic of Vietnam: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review, 74 FR 47191, 47194 (September 15, 2009) ("Vietnam Shrimp AR3 Final").

²⁶ See Administrative Review of Certain Frozen Warmwater Shrimp From the People's Republic of China: Final Results and Partial Rescission of Antidumping Duty Administrative Review, 75 FR 49460, 49463 (August 13, 2010).

assigning this separate rate, the Department did not impute the actions of any other companies to the behavior of the non-individually examined company, but based this determination on record evidence that may be deemed reasonably reflective of the potential dumping margin for the non-individually examined company, Weifang Dongfang, in this administrative review.

The PRC-Wide Entity

In addition to the separate-rate certification discussed above, there were two companies, Stribbons Guangzhou and Stribbons MNC (collectively “MNC Stribbons”²⁷) for which we initiated a review in this proceeding and which previously had a separate rate. In accordance with the Department’s established NME methodology, a party’s separate rate status must be established in each segment of the proceeding in which the party is involved.²⁸ Because these companies did not file a timely (i.e., within 60 calendar days after publication of Initiation Notice²⁹) separate rate certification to demonstrate eligibility for a separate rate in this administrative review, or certify that they had no shipments,³⁰ we preliminarily determine that these companies are part of the PRC-wide entity.

We note that MNC Stribbons filed a request to be selected as a mandatory respondent after one of the selected mandatory respondents withdrew from the proceeding. However, MNC Stribbons made this request after it had missed the 60-day deadline to demonstrate its eligibility for a separate rate (i.e., failed to provide a timely separate rate certification) and the Department returned its submissions in accordance with 19 CFR 351.302(d). The Department has not

²⁷ MNC Stribbons filed their Separate Rate Certification on behalf of two companies under collective name MNC Stribbons, however, the Department initiated our administrative review on two companies Stribbons Guangzhou and Stribbons MNC, and we will continue to treat these two companies as two separate entities.

²⁸ See Sigma Corp. v. United States, 117 F.3d 1401, 1405-06 (Fed. Cir. 1997) (affirming the Department’s presumption of State control over exporters in non-market economy cases).

²⁹ See Initiation Notice, 76 FR at 67134.

³⁰ See id.

selected MNC Stribbons as a mandatory respondent because it failed to provide a timely separate rate certification in this administrative review.³¹ Granting such a request to be a mandatory respondent after the company failed to provide a timely separate rate certification would seriously undermine our separate rate 60-day deadline. Moreover, companies, such as MNC Stribbons, which failed to provide a timely separate rate certification, and, therefore, lost their separate rate status would be subject to the review as the PRC-wide entity.

Use of Facts Otherwise Available and AFA

Section 776(a) of the Act provides that the Department shall apply “facts otherwise available” if: (1) necessary information is not on the record; or (2) an interested party or any other person (A) withholds information that has been requested, (B) fails to provide information within the deadlines established, or in the form and manner requested by the Department, subject to subsections (c)(1) and (e) of section 782 of the Act, (C) significantly impedes a proceeding, or (D) provides information that cannot be verified as provided by section 782(i) of the Act.

As noted in the “Background” section above, Hubschercorp did not respond to the Department’s Section D questionnaire, Sections A and C supplemental questionnaires in this administrative review and informed the Department that it would no longer participate in this review.³² As a result, Hubschercorp failed to provide requested information that is necessary for the Department to calculate an antidumping duty rate for Hubschercorp in this administrative review. By only responding to certain parts of the Department’s questionnaires and failing to respond to the Department’s section D antidumping questionnaire and sections A and C supplemental questionnaires, Hubschercorp did not provide the Department with the information, such as, for example, complete product characteristics related to control numbers of products

³¹ See Rejection Letter.

³² See Hubschercorp’s May 29, 2012, submission.

sold in the United States, FOPs, consumption rates of FOPs, and production processes data. Without this information, it is not possible for the Department to determine or calculate an antidumping margin.

Hubschercorp withheld requested information, significantly impeded this proceeding and did not provide the Department with sufficient information to calculate an antidumping duty margin. Therefore, pursuant to section 776(a)(1) and (2)(A) and (C) of the Act, the Department preliminarily finds that the use of total facts available is appropriate.

Section 776(b) of the Act further provides that the Department may use an adverse inference in applying the facts otherwise available when a party has failed to cooperate by not acting to the best of its ability to comply with a request for information.³³ Adverse inferences are appropriate “to ensure that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully.”³⁴ Furthermore, “affirmative evidence of bad faith on the part of a respondent is not required before the Department may make an adverse inference.”³⁵ We preliminarily find that Hubschercorp did not act to the best of its ability in this administrative review, within the meaning of section 776(b) of the Act, because it failed to respond to the Department’s requests for information and failed to provide timely information. Therefore, an adverse inference is warranted in selecting from the facts otherwise available with respect to this company.³⁶

³³ See Notice of Final Results of Antidumping Duty Administrative Review: Stainless Steel Bar from India, 70 FR 54023, 54025-26 (September 13, 2005); Notice of Final Determination of Sales at Less Than Fair Value and Final Negative Critical Circumstances: Carbon and Certain Alloy Steel Wire Rod from Brazil, 67 FR 55792, 55794-96 (August 30, 2002).

³⁴ See SAA at 870.

³⁵ See Antidumping Duties; Countervailing Duties; Final rule, 62 FR 27296, 27340 (May 19, 1997); see also Nippon Steel Corp. v. United States, 337 F.3d 1373, 1382-83 (Fed. Cir. 2003) (“Nippon”).

³⁶ See Nippon, 337 F.3d at 1382-83.

Selection of the AFA Rate

Section 776(b) of the Act provides that the Department may use as AFA information derived from: 1) the petition; 2) the final determination in the investigation; 3) any previous review; or 4) any other information placed on the record.

The Department's practice, when selecting an AFA rate from among the possible sources of information, has been to select the highest rate on the record of the proceeding and to ensure that the margin is sufficiently adverse "as to effectuate the statutory purposes of the adverse facts available rule to induce respondents to provide the Department with complete and accurate information in a timely manner."³⁷

As a result, we have preliminarily assigned to Hubschercorp a rate of 247.65 percent, which is the highest rate alleged in the petition, as noted in the initiation of the less-than-fair-value ("LTFV") investigation, adjusted with the surrogate value for labor rate used in the final determination.³⁸

Corroboration of Secondary Information

Information from prior segments of the proceeding constitutes secondary information and section 776(c) of the Act provides that the Department shall, to the extent practicable, corroborate that secondary information from independent sources reasonably at its disposal. The Department's regulations provide that "corroborate" means that the Department will satisfy itself

³⁷ See, e.g., Certain Steel Concrete Reinforcing Bars from Turkey: Final Results and Rescission of Antidumping Duty Administrative Review in Part, 71 FR 65082, 65084 (November 7, 2006).

³⁸ See Narrow Woven Ribbons with Woven Selvedge from the People's Republic of China and Taiwan: Initiation of Antidumping Duty Investigations, 74 FR 39291 (August 6, 2009) ("LTFV Initiation") and Notice of Final Determination of Sales at Less Than Fair Value: Narrow Woven Ribbons with Woven Selvedge from the People's Republic of China, 75 FR 41808 (July 19, 2010) ("Narrow Woven Ribbons Final Determination") and accompanying Issues and Decision Memorandum at Comment 1.

that the secondary information to be used has probative value.³⁹ To be considered corroborated, the Department must find the secondary information is both reliable and relevant.⁴⁰

To determine whether the information is reliable, we placed information from the investigation on the record of this segment of the proceeding, and reviewed the adequacy and accuracy of the information in the petition during our pre-initiation analysis for purposes of these preliminary results.⁴¹ We examined evidence supporting the calculations in the petition to determine the probative value of the margins alleged in the petition for use as AFA for purposes of these preliminary results. Based on our examination of the information, as discussed in detail in LTFV Initiation, we consider petitioner's calculation of the export price and normal value to be reliable. Therefore, because we confirmed the accuracy and validity of the information underlying the calculation of margins in the petition by examining source documents as well as publicly available information, we preliminarily determine that the margins in the petition are reliable for the purposes of this administrative review.

To determine the relevance of the petition margin, we placed the model-specific rates calculated for the respondents in the LTFV investigation on the record of this segment of the proceeding and compared the 247.65 percent rate with those model-specific rates. We find that this margin is relevant because this is the first review under this order (i.e., only one segment

³⁹ See 19 CFR 351.308(d); see also SAA at 870.

⁴⁰ See, e.g., SAA at 870; Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan; Preliminary Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews, 61 FR 57391, 57392 (November 6, 1996), unchanged in Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan; Final Results of Antidumping Duty Administrative Reviews and Termination in Part, 62 FR 11825 (March 13, 1997).

⁴¹ See LTFV Initiation, 74 FR at 39294-39296.

removed from the LTFV investigation), and the petition rate fell within the range of model-specific margins calculated for the mandatory respondent in the LTFV investigation.⁴²

Further, the Department will consider information reasonably at its disposal as to whether there are circumstances that would render a margin inappropriate. Where circumstances indicate that the selected margin is not appropriate as AFA, the Department may disregard the margin and determine an appropriate margin.⁴³ Therefore, we examined whether any information on the record would discredit the selected rate as reasonable facts available. We were unable to find any information that would discredit the selected AFA rate.

Based on the above, for these preliminary results, the Department finds the highest rate derived from the petition (i.e., 247.65 percent) is, therefore, corroborated to the extent practicable, pursuant to Section 776(c) of the Act. Thus, we have assigned Hubschercorp this rate as AFA in this administrative review. For further discussion of the corroboration of this rate, see the Corroboration Memo.

⁴² See, e.g., Certain Frozen Warmwater Shrimp From Thailand: Preliminary Results and Preliminary Partial Rescission of Antidumping Duty Administrative Review, 73 FR 12088, 12092 (March 6, 2008), unchanged in Certain Frozen Warmwater Shrimp From Thailand: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review, 73 FR 50933 (August 29, 2008). See also the Memorandum to the File from Karine Gziryan, Analyst, entitled, “Placement of Proprietary Model-Specific Margins from the Less-Than-Fair-Value Investigation on the Record and Corroboration of Adverse Facts Available Rate for the Preliminary Results in the 2010-2011 Antidumping Duty Administrative Review of Narrow Woven Ribbons with Woven Selvedge from the PRC,” dated July 31, 2012 (“Corroboration Memo”).

⁴³ See, e.g., Fresh Cut Flowers from Mexico: Final Results of Antidumping Duty Administrative Review, 61 FR 6812, 6814 (February 22, 1996) (where the Department disregarded the highest calculated margin as AFA because the margin was based on a company’s uncharacteristic business expense resulting in an unusually high margin).

Weighted-Average Dumping Margin

The preliminary weighted-average dumping margin is as follows:

Exporter	Weighted-Average Margin (percentage)
Hubscher Ribbon Corp., Ltd. (d/b/a Hubschercorp) ⁴⁴	247.65
Weifang Dongfang Ribbon Weaving Co., Ltd.	123.83
PRC-wide Entity ⁴⁵	247.65

Disclosure and Public Comment

The Department intends to disclose calculations performed for these preliminary results to the parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Any interested party may request a hearing within 30 days of publication of these preliminary results.⁴⁶ If a hearing is requested, the Department will announce the hearing schedule at a later date. Interested parties may submit case briefs and/or written comments no later than 30 days after the date of publication of the preliminary results of review.⁴⁷ Rebuttal briefs and rebuttals to written comments, limited to issues raised in such briefs or comments, may be filed no later than five days after the time limit for filing the case briefs.⁴⁸ Parties submitting hearing requests or written argument should do so pursuant to the Department's electronic filing system, IA ACCESS.⁴⁹ The Department intends to issue the final results of this

⁴⁴ We note that Hubscher Ribbon Corp., Ltd. (d/b/a Hubschercorp) is not a separate rate company; it only appears in this table because this company is a third-country reseller from Canada.

⁴⁵ For the reasons stated above, the Department has concluded that the PRC-wide Entity includes Stribbons (Guangzhou) Ltd. and Stribbons (Nanyang) MNC Ltd.

⁴⁶ See 19 CFR 351.310(c).

⁴⁷ See 19 CFR 351.309(c); Parties submitting written comments must submit them pursuant to the Department's e-filing regulations.

⁴⁸ See 19 CFR 351.309(d).

⁴⁹ See 19 CFR 351.303; <https://iaaccess.trade.gov/help/IA%20ACCESS%20User%20Guide.pdf>.

administrative review, which will include the results of its analysis of issues raised in all comments, and at a hearing, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

The Department will determine, and CBP shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review and 19 CFR 351.212(b). In this case, because we have no calculated rate, we are applying as the assessment rate for the separate rate respondent, Weifang Dongfang Ribbon Weaving Co., Ltd., the rate from the previous period, and for Hubscher Ribbon Corp., Ltd., the AFA rate of 247.65 percent. Accordingly, we are adjusting the Weifang Dongfang Ribbon Weaving Co., Ltd. and Hubscher Ribbon Corp., Ltd. assessment rates for export subsidy in the same manner that we adjusted each company's cash deposit rate. (See Cash Deposit section below).

We intend to instruct CBP to liquidate entries of subject merchandise exported by the PRC-wide entity at the PRC-wide rate we determine in the final results of this review. The Department intends to issue appropriate assessment instructions directly to CBP 15 days after publication of the final results of this review.

Cash Deposit Requirements

While the Department did not conduct a companion countervailing duty ("CVD") administrative review, in the final determination of the CVD investigation on narrow woven ribbons from the PRC, the Department determined that the product under investigation benefitted from an export subsidy.⁵⁰ Accordingly, we will instruct CBP to require an antidumping cash deposit equal to the weighted-average amount by which the NV exceeds the export price, as

⁵⁰ See Notice of Final Affirmative Countervailing Duty Determination: Narrow Woven Ribbons with Woven Selvedge from the People's Republic of China 75 FR 41801 (July 19, 2010) ("CVD final determination").

indicated above, reduced by an amount, as appropriate, determined to constitute an export subsidy in the final determination from the investigation, the most recently completed segment from the CVD proceeding. Therefore, for Hubscher Ribbon Corp., Ltd., and the separate rate respondent, Weifang Dongfang Ribbon Weaving Co., Ltd., we will instruct CBP to require an antidumping duty cash deposit-for each entry equal to the weighted-average margin indicated above adjusted for the export subsidy rate determined in the CVD final determination. The adjusted cash deposit rate for the separate rate respondent Weifang Dongfang Ribbon Weaving Co., Ltd., is 123.44 percent and for Hubscher Ribbon Corp., Ltd., is 247.26 percent.

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) for Weifang Dongfang Ribbon Weaving Co., Ltd. which has a separate rate, the cash deposit rate will be that established in the final results of this review; (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the exporter-specific rate; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the PRC-wide rate of 247.65 percent;⁵¹ and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

⁵¹ See Notice of Final Determination of Sales at Less Than Fair Value: Narrow Woven Ribbons with Woven Selvedge from the People's Republic of China, 75 FR 41808 (July 19, 2010)

Notification to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and notice are in accordance with sections 751(a)(1) and 777(i) of the Act and 19 CFR 351.213(d).

Paul Piquado
Assistant Secretary
for Import Administration

July 31, 2012
Date

[FR Doc. 2012-19299 Filed 08/07/2012 at 8:45 am; Publication Date: 08/08/2012]